



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

SB1655

Introduced 2/20/2015, by Sen. Thomas Cullerton

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the Higher Education Executive Compensation Oversight Act. Provides that before the board of trustees of a community college district may enter into or amend a severance agreement with the president of a community college, the board must provide public notice of the severance agreement. Allows a petition to be filed objecting to the terms of the severance agreement, signed by 5% of the eligible voters that reside within the district. Provides that if such a petition is filed, the severance agreement is null and void. Provides that before the board of trustees of a public university may enter into or amend a severance agreement with an executive of the university, the board must provide public notice of the severance agreement and must submit the severance agreement to various committees of the General Assembly. Provides that the committees shall have 30 calendar days to review the severance agreement, and the severance agreement shall not become effective if, within 30 calendar days after its delivery to the committees, either chamber of the General Assembly disapproves the severance agreement. Provides that a severance agreement not so disapproved shall become effective by its terms, but not less than 30 calendar days after its delivery to the committees. Allows a board to enter into an executive severance agreement only if it has been reviewed by the committees and not otherwise disapproved. Effective immediately.

LRB099 08435 NHT 28589 b

FISCAL NOTE ACT  
MAY APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

A BILL FOR

1 AN ACT concerning education.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the Higher  
5 Education Executive Compensation Oversight Act.

6 Section 5. Definitions. In this Act:

7 "Community college" means a community college included in  
8 the definition of "Community Colleges" under the Public  
9 Community College Act.

10 "Community college board" means the board of trustees of a  
11 community college district.

12 "Community college district" means a community college  
13 district included in the definition of "Community College  
14 Districts" under the Public Community College Act.

15 "Executive" means any person holding the office of  
16 president or chancellor at the University of Illinois, Southern  
17 Illinois University, Chicago State University, Eastern  
18 Illinois University, Governors State University, Illinois  
19 State University, Northeastern Illinois University, Northern  
20 Illinois University, Western Illinois University, or any other  
21 public university now or hereafter established or authorized by  
22 the General Assembly.

23 "Public university board" means the board of trustees of

1 the University of Illinois, Southern Illinois University,  
2 Chicago State University, Eastern Illinois University,  
3 Governors State University, Illinois State University,  
4 Northeastern Illinois University, Northern Illinois  
5 University, Western Illinois University, or any other public  
6 university now or hereafter established or authorized by the  
7 General Assembly.

8 "Severance agreement" means any contract, contract  
9 extension, document, or understanding establishing rights and  
10 responsibilities upon termination of employment. "Severance  
11 agreement" includes, but is not limited to, the payment of the  
12 remainder of an employment contract not to be performed, such  
13 as an employment contract buyout. "Severance agreement" does  
14 not include prior established bonuses, benefits, and  
15 compensation provided in consideration for work performed.

16 Section 10. Community colleges. Before a community college  
17 board may enter into or amend a severance agreement with the  
18 president of a community college, the community college board  
19 must provide public notice of the severance agreement. Public  
20 notice shall be provided by posting the severance agreement in  
21 full on the Internet website of the community college for 30  
22 days. Within the 30-day period, a petition may be filed with  
23 the community college board objecting to the terms of the  
24 severance agreement. The petition must be signed by 5% of the  
25 eligible voters that reside within the community college

1 district. If such a petition is filed, the severance agreement  
2 is null and void.

3 Section 15. Public universities.

4 (a) Before a public university board may enter into or  
5 amend a severance agreement with an executive of the  
6 university, the public university board must provide public  
7 notice of the severance agreement in full. Notice shall be  
8 provided by posting the severance agreement on the Internet  
9 website of the public university for 30 days.

10 (b) Before a public university board may enter into or  
11 amend a severance agreement with an executive of the  
12 university, the public university board must submit the  
13 severance agreement to the chairperson and minority  
14 spokesperson of the higher education committee and the higher  
15 education appropriations committee, or their successor  
16 committees, of the House of Representatives and to the  
17 chairperson and minority spokesperson of the higher education  
18 committee and the appropriate appropriations committee, or  
19 their successor committees, of the Senate.

20 The committees shall have 30 calendar days to review the  
21 severance agreement. The severance agreement shall not become  
22 effective if, within 30 calendar days after its delivery to the  
23 committees, either chamber of the General Assembly disapproves  
24 the severance agreement by a record vote of a majority of the  
25 members elected. A severance agreement not so disapproved shall

1     become effective by its terms, but not less than 30 calendar  
2     days after its delivery to the committees. A public university  
3     board may enter into an executive severance agreement only if  
4     it has been reviewed by the committees and not otherwise  
5     disapproved.

6             Section 99. Effective date. This Act takes effect upon  
7     becoming law.